

1 Thomas F. O'Connell, WSBA 16539  
 2 Davis, Arneil Law Firm, LLP  
 3 617 Washington St  
 4 Wenatchee, WA 98801  
 5 Telephone: (509)662-3551  
 6 Fax: (509)662-9074  
 7 Email: [tom@dadkp.com](mailto:tom@dadkp.com)

8 *Attorneys for Defendants*

9  
 10 IN THE UNITED STATES DISTRICT COURT  
 11 FOR THE EASTERN DISTRICT OF WASHINGTON  
 12 AT YAKIMA

13  
 14 )  
 15 TINFRA, LLC, a Delaware limited liability ) NO. 2:23-CV-00082  
 16 company, )  
 17 )  
 18 Plaintiff, ) **DEFENDANTS' MOTION TO DISMISS**  
 19 vs. ) **PLAINTIFF'S COMPLAINT FOR LACK**  
 20 ) **OF SUBJECT MATTER JURISDICTION**  
 21 )  
 22 BIT CAPITAL GROUP, LLC, a Delaware )  
 23 limited liability company; JIMMY ODOM, ) **JURY TRIAL DEMANDED**  
 24 an individual; and JAMES THOMMES, an )  
 25 individual, )  
 26 )  
 27 Defendants. )

28  
 29 COME NOW Defendants Bit Capital Group, LLC ("Bit Cap"), Jimmy Odom, and James  
 30 Thommes, and for their Motion to Dismiss Plaintiff's Complaint for Lack of Subject Matter  
 31 Jurisdiction pursuant to Federal Rule of Civil Procedure 12(b)(1), state:

32 **INTRODUCTION**

33  
 34 Subject matter jurisdiction is lacking because there is not complete diversity among  
 35 plaintiffs and defendants.

36  
 37 The Plaintiff, Tinfra, LLC, is a citizen of Illinois. A limited liability company, like  
 38 Tinfra, "is a citizen of every state of which its owners/members are citizens." *Johnson v.*

1 *Columbia Properties Anchorage, LP*, 437 F.3d 894, 899 (9th Cir. 2006). The sole member of  
 2 Tinfra, LLC, is Telnyx, LLC. (ECF No. 6). In turn, the sole member of Telnyx, LLC, is Telnyx,  
 3 Inc. *Id.* As Tinfra's corporate disclosures show, Telnyx, Inc., has its principal place of business  
 4 in Illinois, making Plaintiff Tinfra a citizen of Illinois. *Id.*

5 Defendant Bit Cap is also a citizen of Illinois. One of Bit Cap's members is Realis Group,  
 6 LLC. Israel Idonije and Kelly Speck, each members of Realis Group, are individual citizens of  
 7 Illinois. (See Ex. A, Declaration of Jimmy Odom). This makes Bit Cap a citizen of Illinois.  
 8 Plaintiff's jurisdictional allegations in its Complaint are incorrect as to Bit Cap. (See ECF 1, ¶¶  
 9 6, 9).

10 Because complete diversity between Plaintiffs and Defendants is lacking, Plaintiff's  
 11 Complaint should be dismissed for want of subject matter jurisdiction.

## 12 ARGUMENT

13 A Plaintiff's complaint may be dismissed for lack of subject jurisdiction pursuant to a  
 14 motion filed under Rule 12(b)(1). "The party seeking to invoke the district court's diversity  
 15 jurisdiction always bears the burden of both pleading and proving diversity jurisdiction."  
 16 *Rainero v. Archon Corp.*, 844 F.3d 832, 840 (9th Cir. 2016). Here, Plaintiff Tinfra incorrectly  
 17 alleges the Court has diversity jurisdiction.

18 Under 28 U.S.C. § 1332, the Court has diversity jurisdiction over civil actions where the  
 19 matter in controversy exceeds \$75,000 and is between "citizens of different states." The  
 20 "complete diversity rule" stemming from this quoted language requires that "each of the  
 21 plaintiffs must be a citizen of a different state than each of the defendants." *Allstate Ins. Co. v.*  
 22 *Hughes*, 358 F.3d 1089, 1095 (9th Cir. 2004). Under this rule, "the presence in the action of a  
 23 single plaintiff from the same State as a single defendant deprives the district court of original

1 diversity jurisdiction over the entire action.” *Exxon Mobil Corp. v. Allapattah Servs., Inc.*, 545  
 2 U.S. 546, 553 (2005).

3 The citizenship of limited liability companies is determined by reference to the  
 4 citizenship of its members. That is, an LLC is a citizen of every state in which its members are  
 5 citizens. *Johnson*, 437 F.3d at 899. If the members of the LLC are also business entities—like  
 6 LLCs or corporations—then courts trace the citizenship of these “downstream” business entities  
 7 to determine the citizenship of the LLC named as a party in the lawsuit. *Asana Partners Fund*  
 8 *II Reit 14 LLC v. Heath Fam. I LLC*, No. C20-1034-JCC, 2020 WL 7241449, at \*3 (W.D. Wash.  
 9 Dec. 9, 2020) (“It is well established that Plaintiffs must ‘trace[ ] through however many layers  
 10 of partners or members there may be’ to establish the citizenship of the underlying parties.”)  
 11 (quoting *Meyerson v. Harrah’s E. Chicago Casino*, 299 F.3d 616, 617 (7th Cir. 2002)).

12 Indeed, the Ninth Circuit in *Johnson* looked beyond the first layer of unincorporated  
 13 entities to determine the citizenship of a defendant. *Johnson*, 437 F.3d at 896, 899. There, the  
 14 defendant was a limited partnership whose only partners were two LLCs. *Id.* at 896. One of the  
 15 members of the LLCs was a trust. *Id.* at 899. To determine the citizenship of the underlying  
 16 plaintiff, the court looked to the citizenship of the trust’s trustee, even though the trustee was  
 17 several layers removed from the underlying plaintiff (Plaintiff limited partnership → partner  
 18 LLC → member trust → trustee). *See id.*

19 Here, tracing the citizenship of Plaintiff Tinfra, LLC’s, members demonstrates it is a  
 20 citizen of Illinois. Tinfra’s sole member is Telnyx, LLC, another limited liability company,  
 21 whose sole member of Telnyx, LLC, is Telnyx, Inc. (ECF 1, ¶¶ 7-8). The citizenship of Telnyx,  
 22 Inc., which is a corporation, determines Plaintiff Tinfra’s place of citizenship for jurisdictional  
 23 purposes. “[A] corporation is a citizen only of (1) the state where its principal place of business

1 is located, and (2) the state in which it is incorporated.” *Johnson*, 437 F.3d at 899. As Tintra  
 2 stated in prior court filings and its Complaint, Telnyx, Inc., has its principal place of business in  
 3 Illinois. (ECF No. 1, ¶ 8; ECF No. 6). Because Telnyx’s principal place of business is in Illinois,  
 4 Plaintiff Tintra is a citizen of Illinois.

5 Defendant Bit Cap is also a citizen of Illinois under the tracing test. Like Tintra, Bit Cap  
 6 is an LLC. One of Bit Cap’s members is Realis Group, LLC. Israel Idonije and Kelly Speck,  
 7 individual citizens of Illinois, are members of Realis Group, LLC. (See Ex. A, Odom  
 8 Declaration). This makes Defendant Bit Cap a citizen of Illinois, just like Plaintiff Tintra.

9 **CONCLUSION**

10 Plaintiff Tintra and Defendant Bit Cap are both citizens of Illinois. Complete diversity is  
 11 lacking, meaning this Court lacks diversity jurisdiction under 28 U.S.C. § 1332. Therefore,  
 12 Defendants request Tintra’s Complaint be dismissed with prejudice for lack of subject matter  
 13 jurisdiction, and such other relief as the Court considers just.<sup>1</sup>

14 DAVIS, ARNEIL LAW FIRM, LLP

15 By   
 16 Thomas F. O’Connell, WSBA No. 16539  
 17 Attorneys for Defendant Bit Capital Group

18 Ben McIntosh (*pro hac vice*)  
 19 SWMW Law, LLC  
[ben.mcintosh@swmwlaw.com](mailto:ben.mcintosh@swmwlaw.com)  
 20 701 Market Street, Suite 1000  
 21 St. Louis, MO 63101  
 22 (314) 480-5180  
 23 (314) 932-1566 – Facsimile

24 <sup>1</sup> Assuming *arguendo* the Court retains jurisdiction, Defendants demand a trial by jury.  
 Page 4

1  
2 CERTIFICATE OF SERVICE  
34 I certify that on this date, I sent for delivery a true and correct copy of the document to  
5 which is affixed by the method indicated below and addressed to the following:  
67  

Bradley P. Thoreson, WSBA #18190	U.S. MAIL
BUCHALTER	PROCESS LEGAL SERVICE
1420 Fifth Avenue, Suite 3100	EMAIL
Seattle, Washington 98101	HAND DELIVERY
Telephone: (206) 319-7052	FACSIMILE
Facsimile: (206) 855-5239	<input checked="" type="checkbox"/> CM/ECF Filing System
Email: bthoreson@buchalter.com	

8 DATED this 8th day of May, 2023.  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
By: *Kate Escalera*

IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF WASHINGTON  
AT YAKIMA

TINFRA, LLC,

Plaintiff,

v.

BIT CAPITAL GROUP, LLC, et al.

Defendants.

Case No. 2:23-cv-00082-ACE

**DECLARATION OF JIMMY ODOM**

1. I, Jimmy Odom, am a resident of the State of Washington, over the age of twenty-one, and have personal knowledge of the facts stated herein.

2. Defendant Bit Capital Group, LLC, has three members: James Thommes, Jimmy Odom (myself), and Realis Group, LLC.

3. Realis Group, LLC, is an Illinois limited liability company. The document attached hereto as Exhibit 1 reflects publicly available information from the Illinois Secretary of State's website concerning Realis Group, LLC.

4. The members of Realis Group, LLC, are Israel Idonije and Kelly Speck, both of whom are individuals and residents of the State of Illinois.

I declare under penalty of perjury that the foregoing is true and correct. Executed on

MAY 02, 2023

\_\_\_\_\_  
Jimmy Odom

**EXHIBIT A**



Office of the Secretary of State  
**ilsos.gov**

## Corporation/LLC Search/Certificate of Good Standing

### LLC File Detail Report

File Number	03676676
Entity Name	REALIS GROUP, LLC
Status	ACTIVE

### Entity Information

Principal Office	200 W MADISON 3RD FLOOR CHICAGO, IL 60606
Entity Type	LLC
Type of LLC	Domestic
Organization/Admission Date	Friday, 15 July 2011
Jurisdiction	IL
Duration	PERPETUAL

### Agent Information

3/28/23, 11:37 AM

Corporation/LLC Search/Certificate of Good Standing

## Name

C T CORPORATION SYSTEM

## Address

208 SO LASALLE ST, SUITE 814  
CHICAGO , IL 60604

## Change Date

Thursday, 30 August 2012

**Annual Report**

## For Year

2022

## Filing Date

Wednesday, 22 June 2022

**Managers**

## Name

## Address

IDONIJE, ISRAEL

1420 S MICHIGAN AVE

CHICAGO, IL 606050000

## Name

## Address

SPECK, KELLEY

1420 S MICHIGAN AVE

CHICAGO, IL 606050000

**Old LLC Name**

12/21/2012

REALIS CONSULTING GROUP, LLC

**Series Name**

NOT AUTHORIZED TO ESTABLISH SERIES

[Return to Search](#)

[File Annual Report](#)

[Adopting Assumed Name](#)

[Articles of Amendment Effecting A Name Change](#)

[Change of Registered Agent and/or Registered Office](#)

(One Certificate per Transaction)

This information was printed from [www.ilsos.gov](http://www.ilsos.gov), the official website of the Illinois Secretary of State's Office.

Tue Mar 28 2023